

19 FEB 1980

MEMORANDUM FOR: Chief, Plans and Programs Staff, OL

FROM:   
Chief, Procurement Division, OL

SUBJECT: Liaison With Department of Energy -  
Gasoline Allocation

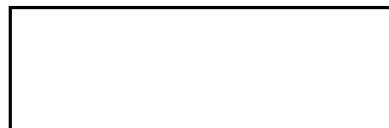
Dave:

1. As discussed with you on 14 February, I suggest language along the following lines be incorporated into any letter that is forwarded to the Department of Energy for the purpose of clarifying this Agency's authority to secure 100 percent of the base period allocation.

2. The Central Intelligence Agency has been acquiring gasoline to support its operations at the 100 percent level of the 1978 base period. Authority for this action is grounded on CIA's status as a subclaimant of the Department of Defense for priority allocations pursuant to 50 USC, Appendix 2071, Defense Production Act of 1950. Our suppliers were informed of the above in June 1979.

3. The work of an interagency task force, that studied the gasoline allocation needs of certain civilian agencies, has caused us to review our current basis for acquiring gasoline at the 100 percent level of the base period. We believe our interpretation of the Defense Production Act is sound. Nevertheless, we believe it is appropriate that the Department of Energy provide us with a definitive concurrence in this matter.

4. If the Department etc.



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